

Cereplast, Inc.
Cash Budget

| Week Ending | forecast <u>28-Feb-14</u> | forecast <u>7-Mar-14</u> | forecast <u>14-Mar-14</u> | forecast <u>21-Mar-14</u> | forecast <u>28-Mar-14</u> | forecast <u>4-Apr-14</u> | forecast <u>11-Apr-14</u> | forecast <u>18-Apr-14</u> | forecast <u>25-Apr-14</u> | forecast <u>2-May-14</u> | forecast <u>9-May-14</u> | forecast <u>16-May-14</u> | forecast <u>23-May-14</u> |
|---|------------------------------|-----------------------------|------------------------------|------------------------------|------------------------------|-----------------------------|------------------------------|------------------------------|------------------------------|-----------------------------|-----------------------------|------------------------------|------------------------------|
| Beginning Balance | \$ - | \$ 4,007 | \$ 119,489 | \$ 67,656 | \$ 57,656 | \$ 17,433 | \$ 134,838 | \$ 79,065 | \$ 92,365 | \$ 73,507 | \$ 164,237 | \$ 89,214 | \$ 90,014 |
| <u>Sources of Cash:</u> | | | | | | | | | | | | | |
| DIP Financing | - | 250,000 | | | | 250,000 | | | | 250,000 | | | |
| Sales - customer products/services | 42,000 | | 14,190 | | 42,000 | 45,550 | 1,750 | 42,000 | 43,666 | | | 42,000 | 62,031 |
| <u>Uses of Cash:</u> | | | | | | | | | | | | | |
| Payroll and Benefits | | | (54,798) | | (54,798) | | (54,798) | | (54,798) | | (54,798) | | (54,798) |
| Wages owed - post-petition | | | | | | (13,792) | | | | (13,792) | | | |
| <u>Legal and Professional Fees</u> | | | | | | | | | | | | | |
| Bankruptcy counsel | | (20,000) | | | | (20,000) | | | | (20,000) | | | |
| Trustee fee | - | | - | - | - | (4,875) | - | - | - | - | - | - | - |
| Restructuring advisor | | (10,000) | | | | (10,000) | | | | (10,000) | | | |
| SEC counsel | | | (5,000) | | (5,000) | | | | | (5,000) | | | |
| Auditors and accountants | | (30,000) | | | | (25,000) | | | | (10,000) | (15,000) | | |
| <u>Facility and Overhead</u> | | | | | | | | | | | | | |
| Rent | | (25,000) | | | | (25,000) | | | | (25,000) | | | |
| Utilities | (6,500) | | | (7,500) | | | | (7,500) | | | | | (7,500) |
| Business insurance | (26,793) | | | | | (21,461) | | | | (21,461) | | | |
| Equipment lease payments | | (7,017) | | | | (7,017) | | | | (7,017) | | | |
| IT outsourcing and e-storage | (3,500) | | (3,500) | | (3,500) | | | | | (3,500) | | | |
| Telecom | | (1,250) | | | | (1,250) | | | | (1,250) | | | |
| Postage and delivery | | (750) | | | | (750) | | | | (750) | | | |
| Office supplies | | (500) | | | | (500) | | | | (500) | | | |
| <u>Production and Materials Cost</u> | | | | | | | | | | | | | |
| | | (35,000) | | | (15,000) | (25,000) | | (15,000) | (5,000) | (35,000) | | (25,000) | |
| <u>R&D - Compliance Costs</u> | | | | | | | | | | | | | |
| | | (1,500) | | | | (2,500) | | | | | (2,500) | | |
| <u>Public Company Costs</u> | | | | | | | | | | | | | |
| SEC Filing costs | | | | | | (15,000) | | | | | | (10,000) | |
| Transfer agent fees | | (1,000) | | | | (1,000) | | | | (1,000) | | | |
| <u>Selling, General and Admin</u> | | | | | | | | | | | | | |
| Sales commissions - 3rd party | (1,200) | | | | (1,200) | | | (1,200) | | | | (1,200) | |
| Sales reps (non-employees) | | | (2,725) | | (2,725) | | (2,725) | | (2,725) | | (2,725) | | (2,725) |
| Travel, lodging and meals | | (2,500) | | (2,500) | | (5,000) | | (5,000) | | (5,000) | | (5,000) | |
| Other | - | - | - | - | - | - | - | - | - | - | - | - | - |
| <u>Ending Balance</u> | <u>\$ 4,007</u> | <u>\$ 119,489</u> | <u>\$ 67,656</u> | <u>\$ 57,656</u> | <u>\$ 17,433</u> | <u>\$ 134,838</u> | <u>\$ 79,065</u> | <u>\$ 92,365</u> | <u>\$ 73,507</u> | <u>\$ 164,237</u> | <u>\$ 89,214</u> | <u>\$ 90,014</u> | <u>\$ 87,022</u> |

| <u>Employee Name</u> | <u>Status</u> | <u>Annual Comp</u> | <u>Gross Wages Per Period</u> | <u>Car Allowance</u> | <u>Employer Taxes</u> | <u>Employer Paid Benefits</u> | <u>Workers Comp</u> | <u>PEO Fee</u> | <u>Fully Loaded Costs</u> |
|----------------------|---------------|--------------------|-----------------------------------|--------------------------|---------------------------|-----------------------------------|-------------------------|--------------------|-------------------------------|
| Employee 1 | Salary | \$ 369,000 | \$ 14,192.31 | \$ 500.00 | \$ 1,404.17 | \$ 326.84 | \$ 99.61 | \$ 86.39 | \$ 16,609.32 |
| Employee 2 | Salary | 200,000 | 7,692.31 | 325.00 | 573.85 | 850.56 | 54.36 | 64.62 | 9,560.70 |
| Employee 3 | Salary | 200,000 | 7,692.31 | - | 693.08 | 847.80 | 14.92 | 64.62 | 9,312.73 |
| Employee 4 | Salary | 110,000 | 4,230.77 | - | 573.04 | 566.76 | 8.21 | 64.62 | 5,443.40 |
| Employee 5 | Salary | 60,000 | 2,307.69 | - | 303.91 | 346.09 | 65.40 | 64.62 | 3,087.71 |
| Employee 6 | Salary | 65,000 | 2,500.00 | - | 264.77 | \$ 387.29 | 4.68 | 64.62 | 3,221.36 |
| Employee 7 | Salary | 42,000 | 1,615.38 | - | 224.14 | 192.92 | 3.13 | 64.62 | 2,100.19 |
| Employee 8 | Hourly | 31,200 | 1,200.00 | - | 142.05 | 346.72 | 34.01 | 64.62 | 1,787.40 |
| Employee 9 | Hourly | 33,280 | 1,280.00 | - | 155.78 | 310.99 | 26.28 | 64.62 | 1,837.67 |
| Employee 10 | Hourly | 33,280 | 1,280.00 | - | 155.78 | 310.99 | 26.28 | 64.62 | 1,837.67 |
| | | | | | | | | | \$ 54,798.14 |